



State of California

Employment Training Panel

Arnold Schwarzenegger, Governor

June 25, 2009

Ms. Lidia Gorko, Chief Executive Officer
Alpha Aviation Components, Inc. (Alpha Aviation)
16772 Schoenborn Street
North Hills, CA 91343

Dear Ms. Gorko:

RE: FINAL MONITORING VISIT REPORT for Alpha Aviation - ET08-0198

| | |
|-------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------|
| Date of the Visit: | June 25, 2009 |
| Beginning/Ending Time: | 9:30 a.m. – 12:00 p.m. |
| Date of Last Visit: | January 9, 2009 |
| Visit Location: | North Hills |
| Persons in attendance: | William Tudor, VP, Alpha Aviation Rollin Johnstone, IT Manager, Alpha Aviation Elsa Wadzinski, Contract Analyst, Employment Training Panel |
| Action Required: | No |

| | | | |
|-----------------------------------------|-------------------|-----------------------------|----------|
| Term of Agreement: | 09/25/07-09/24/09 | Agreement Amount: | \$49,400 |
| Training Start Date: | 10/01/07 | No. to Retain: | 38 |
| Date Training must be Completed: | 06/23/09 | Hours of Training: | 8-100 |
| Type of Trainee: | Retrainee | Weighted Ave. Hours: | 50 |

**SUMMARY OF ACTION
REQUIRED FROM THIS VISIT:**

None

FINAL REPORT SUMMARY:

The Agreement was executed on October 23, 2007, and training began on September 25, 2007. You reported that all ETP training was completed on June 22, 2009, which allows for the 90-day

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ETP (05/16/2007)

retention period to be completed within the term ending date of the Agreement – September 25, 2009.

ETP approved Agreement Amendment No. 1, executed on July 2, 2008, adding 12 months to the term of the Agreement, revising the term end date from September 24, 2008 to September 24, 2009, and increasing the maximum number of training hours from 60 to 100. Modification No. 2, executed on January 21, 2009, again increased the maximum number of training hours from 100 to 200, added the occupation title of Vice President, and added subtopics under the Continuous Improvement curriculum.

You advised the Analyst, that 28 of the 38 trainees estimated to be retained, as specified on Chart 1, Exhibit A of the Agreement, have completed training and will complete the 90-day retention period. Assuming all other Agreement requirements are met, Alpha Aviation will earn approximately \$21,580 (44%) of the total ETP Agreement amount. Since you have been paid \$4,550 to date, you will receive an additional \$17,030 in funding if the anticipated number to retain is verified during the final fiscal closeout. The Analyst reminded your staff that the Final Closeout should be submitted no more than 30 days after the end of the Agreement term.

In discussing the ETP training provided, you stated that, Alpha Aviation was only able to provide 44% of its training to 28 of the 38 (74%) trainees outlined to receive training under this Agreement, due to a recent reorganization of the company. Although they did not complete 100% of the training, project staff indicated that the training assisted in the company moving to a new level, to worker more efficiently and leaner, to stay competitive in today's market. Further, ETP funding allowed the company to provide training on new software and equipment Alpha Aviation recently purchased.

In discussing what barriers you experienced in implementing your ETP program, project staff stated that there were no barriers in implementing the training, just finding the time to provide it. Further, the current economic conditions did cause the company to run leaner, which did affect the company's ability to train all the trainees outlined in the contract.

Project staff reported that ETP's websites are user-friendly, and it was easy to learn the systems and enter data; and that the administration of the project was easier to handle with the ETP tracking system; further adding, ETP staff provided good support throughout the Agreement. In closing, you commented that Alpha Aviation is interested in returning to ETP for another contract complete the training started under this Agreement.

PROJECT STATUS PROVIDED BY THE CONTRACTOR:

| | | | |
|-------------------------------|----|----------------------|----|
| Trainees Started Training: | 37 | Completed Training: | 28 |
| Trainees Enrolled: | 43 | In Retention Period: | 28 |
| Dropped Following Enrollment: | 7 | Completed Retention: | 0 |

The project status you provided corresponds with the Contract Status report indicating 43 trainees are enrolled, and seven have been dropped.

ATTENDANCE ROSTERS:

The Analyst reviewed Class/Lab Rosters records for 21 Job 1 trainees, and compared it with the data input on the ETP On-Line Tracking System. The review of the Class/Lab Rosters indicated that the Rosters were completed correctly, and corresponded with the training input on the ETP On-Line System, and met ETP's requirements; and the Agreement curriculum was provided as

specified; and that you are in compliance with the ratio of one trainer to 20 retrainees, as specified in the Agreement Training Plan.

SUBAGREEMENTS:

During the review of records, the Analyst noted training provided by subcontractor, Mitutoyo America, whose information was not on the ETP Subcontractor's List (ETP 100D). Ms. Wadzinski provided technical assistance on how to enter this information on the ETP Forms System.

AUDIT:

Alpha Aviation will be notified in writing if this agreement is selected for an audit, conducted either at your site (field audit) or by telephone (desk audit or "review"). The Audit Notification and Audit Confirmation letters will be sent in advance to allow ample preparation time and will include a list of documents that will be examined by the auditor. To provide support of training, original training attendance documentation is required; photocopied records are not acceptable. Listed below are types of records typically requested during an ETP field audit:

- Training attendance records such as rosters, sign-in sheets, etc.
- Payroll records of individual trainees to verify wage and hours worked
- Personnel records regarding occupation and dates of employment
- Documentation of employer paid health benefits (if applicable)
- Cash receipts to verify receipt and accounting of ETP funds

RECORD RETENTION:

Records must be retained within your control and be available for review at your place of business within the State of California. This responsibility will terminate no sooner than four (4) years from the date of the termination of the Agreement or three (3) years from the date of the last payment by ETP to the Contractor, or the date of resolution of appeals, audits, claims, exceptions, or litigation, whichever is later.

If you have any questions or comments regarding this report, please contact Elsa Wadzinski at (818) 755-3634 or by email at ewadzinski@etp.ca.gov within ten (10) working days from the receipt of this report.

Sincerely,

Signature on file

Wally Aquilar, Program Manager
North Hollywood Regional Office

Signature on file

Elsa Wadzinski, Contract Analyst
North Hollywood Regional Office

cc: David A. Guzman, Chief, Audit's & Program Operations Division
Kulbir Mayall, Manager, Fiscal and Certification
Master File
Project File

Date report mailed to Contractor 7/6/09